Message Text

LIMITED OFFICIAL USE

PAGE 01 CAIRO 04374 011444Z

53

ACTION SS-15

INFO OCT-01 NEA-09 ISO-00 SP-02 AID-05 EB-07 NSC-05

CIEP-01 TRSE-00 STR-04 OMB-01 CEA-01 AGR-05 PA-01

PRS-01 USIA-06 CIAE-00 COME-00 FRB-03 INR-07 NSAE-00

XMB-02 OPIC-03 LAB-04 SIL-01 $/084~\mathrm{W}$

----- 122678

P R 011510Z MAY 75 FM AMEMBASSY CAIRO TO SECSTATE WASHDC PRIORITY 3680 AMEMBASSY TEHRAN AMEMBASSY JIDDA AMEMBASSY KUWAIT

LIMITED OFFICIAL USE CAIRO 4374

FOR UNDERSECRETARY ROBINSON

EO 11652: NA

TAGS: USEGJC EAID EGEN

SUBJECT: MORE SUBSIDIES, MORE PRICE CONTROLS

REF: CAIRO 4316

1. PRESS ANNOUNCED THAT CABINET, IN APRIL 30 MEETING, APPROVED PROPOSAL PUT FORWARD BY MINSUPPLY TO INCREASE SUBSIDY FOR BREAD BY ABOUT LE 25 MILLION (PUBLISHED FIGURES VARY SLIGHTLY) TO A TOTAL OF ABOUT LE 210 MILLION. ADDITIONAL FUNDS ARE INTENDED TO PERMIT PRODUCTION OF A BETTER, READ WHITER, AND LARGER LOAF. AT SAME TIME, SALARIES OF BAKERS, MOST OF WHOM ARE IN PRIVATE SECTOR, WILL GO FROM 80 TO 120 PIASTERS PER DAY.

2. DECISION WAS ALSO REACHED TO LOWER PRICE OF CATTLE FODDER FROM LE 26 TO LE 20.5 PER TON, WITH GOE ABSORBING DIFFERENCE, AS MEANS OF OBTAINING REDUCTION IN MEAT LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAIRO 04374 011444Z

PRICES. FIXED PRICES FOR NUMBER OF IMPORTED COMMODITIES

(E.G. ZINC, PAINT) WERE ALSO DECREED.

3. COMMENT: TREND OF GOVT POLICY TOWARD INCREASED RATHER THAN DECREASED SUBSIDIES RUNS COUNTER TO ECONOMIC REFORM MEASURES WHICH IMF BELIEVES ARE ESSENTIAL TO STABILIZE WEAKENDED EGYPTIAN ECONOMY.
EILTS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED Concepts: SUBSIDIES, FOODS

Control Number: n/a Copy: SINGLE Draft Date: 01 MAY 1975 Decaption Date: 01 JAN 1960 Decaption Note: Disposition Action: RELEASED Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975CAIRO04374

Document Number: 1975CAIRO04374 Document Source: CORE Document Unique ID: 00

Drafter: n/a Enclosure: n/a Executive Order: N/A Errors: N/A

Film Number: D750153-0574

From: CAIRO

Handling Restrictions: n/a

Image Path:

Legacy Key: link1975/newtext/t19750587/aaaadbxo.tel

Line Count: 68

Locator: TEXT ON-LINE, ON MICROFILM Office: ACTION SS

Original Classification: LIMITED OFFICIAL USE

Original Handling Restrictions: n/a
Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 2

Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE

Previous Handling Restrictions: n/a Reference: 75 CAIRO 4316

Review Action: RELEASED, APPROVED Review Authority: CunninFX

Review Comment: n/a
Review Content Flags: Review Date: 30 JUL 2003

Review Event:

Review Exemptions: n/a
Review History: RELEASED <30 JUL 2003 by CunninFX>; APPROVED <26 NOV 2003 by CunninFX>

Review Markings:

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JÚL 2006

Review Media Identifier: Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN Status: NATIVE

Subject: MORE SUBSIDIES, MORE PRICE CONTROLS TAGS: EGEN, EAID, EG
To: STATE

Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006